

Michael O. Leavitt Governor Kathleen Clarke Executive Director Lowell P. Braxton Division Director State of Utah
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

1594 West North Temple, Suite 1210 PO Box 145801 Sait Lake City, Utah 84114-5801 801-538-5340 801-359-3940 (Fax) 801-538-7223 (TDD)

May 26, 1999

R. Jay Marshall, P.E. UtahAmerican Energy, Inc. P. O. Box 986 Price, Utah 84501

Re: <u>Technical Review of Lila Canyon Revision with Deficiencies, UtahAmerican Energy, Inc., Horse Canyon Mine, ACT/007/013-98-1, Folder #3, Carbon County, Utah</u>

Dear Mr. Marshall:

The Division has completed a technical analysis (TA) of your application to permit the Lila Canyon Facilities as part of the Horse Canyon Mine. A copy is enclosed for your records. The purpose of this TA is to determine the technical adequacy of your application. As you will note, there are areas of deficiency in your application that prevent us from approving it at this time.

Please review the TA carefully to make sure you understand the concerns. The deficiencies will need to be adequately addressed before your application can be approved. In order for us to further process your application, please provide a response by no later than August 26, 1999. You may submit it sooner if you are prepared and so desire. At that time you should plan on compiling your response into your application so that we have a complete and accurate plan to review. We will be happy to assist you in accomplishing this.

Please call if you have any questions.

Sincerely,

Daron R. Haddock

Permit Supervisor

Enclosure

cc: Dave Darby
Price Field Office
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